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February 15, 2005

Via Electronic Submission

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW – Lobby Level
Washington, D.C. 20554

Re: ***Notice of Ex Parte – Level 3 Communications LLC Petition for Forbearance Under 47 U.S.C. § 160(c) from Enforcement of 47 U.S.C. § 251(g), Rule 51.701(b)(1), and Rule 69.5(b), WC Docket No. 03-266.***

Dear Ms. Dortch:

On behalf of SBC Communications, Inc., James C. Smith, Eric Einhorn and the undersigned met with John Stanley, advisor to Commissioner Abernathy, on February 14, 2005, to discuss the above-referenced petition filed by Level 3 Communications LLC (Level 3). During the course of the meeting, we explained that IP-PSTN traffic is subject to access charges under the Commission's existing rules, per the attached slides. We also explained that the asymmetrical compensation regime proposed by Level 3 would disrupt the Commission's efforts to achieve holistic intercarrier compensation reform, would jeopardize affordable, universal access to telephone service, and would create an arbitrary regulatory advantage for VoIP providers and their CLEC partners at the expense of traditional local telephone companies, long distance providers and wireless providers. We further explained that the relief requested by Level 3 presents serious implementation problems concerning the routing and rating of traffic. For all of these reasons, we urged the Commission to deny Level 3's petition and to instead proceed expeditiously with comprehensive intercarrier compensation reform. All of the matters discussed during the meeting were consistent with our previous filings in this docket.

Pursuant to section 1.1206 of the Commission's rules, this letter is being filed electronically with the Commission.

Sincerely,

/s/ Jack Zinman

Attachment

cc: John Stanley

SBC Presentation
WC Docket No. 03-266
February 14, 2005



The ESP Exemption is Limited

- Applies when ESP uses PSTN to reach its **own customer** who receives an **information service**



The ESP Exemption is Limited

- Does NOT apply when ESP uses PSTN to reach **non-ESP customer** who receives **telecom service**

